m/027/032 Copy

DEXTER L ANDERSON ATTORNEY AT LAW 730 N. 3900 W. FILLMORE, UTAH 84631 TELEPHONE 435 743-6378 RECEIVED
JAN 1 8 2005

DIV. OF OIL, GAS & MINING

January 12, 2005

Ron Reece State of Utah, Department of Air Quality P.O. Box 144820 Salt Lake City, Utah 84114

RE: Red Dome Inc. and the Red Dome Placer Mining Claims, Millard County, Utah;

Dear Mr. Reece;

This letter is a follow up to our telephone conversation of today.

Red Dome Inc. operates on a eight hour a day, forty hour per week schedule, with an average of no more that six hours per day in actual production with the crushing and screening plant. The plant itself is operated with electric power to various electric motors necessary to operate the crushers, screens, and conveyors. Electric power is furnished by a public electric power utility, Flowell Electric, an REA power utility.

Diesel and gasoline powered mobile equipment is used to mine materials and feed the plant. Equipment used are a 980 Cat front end loader, 6 cylinder diesel engine used 85% of the day, a New Holland skid steer loader four cylinder gas engine with ½ cu.yd. bucket used 40% of the day, a Ecliud haul truck 6 cu. yd.with a 6 cylinder diesel engine used 60% of the day, and a D8 Cat dozer 6 cylinder diesel engine used 10% of the day.

The crushing plant consist of a steel belt feed conveyor, to a 12 X 36 inch jaw crusher, to an 8' X 16' single deck screen, to a 4 &1/2' cone crusher, to a 5' X 16' 3 deck screen, to four off loading and stacking conveyors.

A capacity tonnage figure can be obtained from actual tonnage produced this past year. That figure is 18, 624 tons. Assuming six hours a day, five working days a week, fifty two working weeks a year, the actual use capacity of the plant is 12 tons per hour. It is not possible to ascertain the manufacture's capacity nomenclature because of the age and use of the equipment. In addition as I have advised you, the capacity that may be attributed to the equipment in terms of tonnage of hard rock or sand and gravel raw material is inapplicable to Red Dome's use because Red Dome's material is approximately half the weight of hard rock or sand and gravel material commonly feed into such equipment. Volume of material would exceed that

capacity of the equipment before tonnage capacity commonly used could be attained.

The owner and operator of the Red Dome Placer Mining Claims is Red Dome Inc., a Utah Corporation, mailing address 5865 W. 200 S., Fillmore, Utah, 84631, telephone 435 743-8111.

Mr. Lee Miller is the Manager at the site. The mine and plant are physically located at that address.

Attached is a copy of Mr. Miller's diagram of the plant.

Thank you for your early assistance in this matter.

Sincerely yours,

Dexter L' Anderson, cc. Sherry K. Hirst, BLM

Daron R. Haddock, UDOGM

8×16 SINKER OUCK SURBOUT 12×36 CENTHON SURVENI Thu Custine San BAT 1